

SENATE BILL No. 332

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-31-5; IC 4-33-6.

Synopsis: Riverboat and horse racetrack ownership. Permits a person to own up to a 100% interest in not more than two horse racetracks. Provides that a person may not have an ownership interest in more than two racetracks. Removes the prohibition on a riverboat owner owning more than a 10% interest in another riverboat. Permits a person to own up to a 100% interest in not more than two riverboats. Provides that a person may not have an ownership interest in more than two riverboat owner's licenses. Specifies that a person is considered to have an ownership interest in a horse racetrack or a riverboat owner's license if the interest is owned directly or indirectly by the person or by an entity controlled by the person.

Effective: July 1, 2002.

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January 8, 2002, read first time and referred to Committee on Commerce and Consumer Affairs.

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PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 332

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-31-5-8 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) Except as provided in
3 subsection (c), the commission may issue or deny a permit to an
4 applicant to conduct a horse racing meeting after the proper filing of:
5 (1) an application for a permit; and
6 (2) the other information required by this chapter.
7 The commission shall meet as soon as practicable after the filing of the
8 application and other information for the purpose of acting on the
9 application.
10 (b) The commission may deny a permit to:
11 (1) any applicant if denial of the permit is in the public interest;
12 (2) a permit holder that has defaulted in payments to the public or
13 an employee, a vendor, a supplier, an owner, or a trainer; or
14 (3) the purchaser of a track from a permit holder described in
15 subdivision (2) if defaults at that track have not been satisfied by
16 either the seller or the purchaser.
17 (c) The commission shall deny a permit to:



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(1) a permit holder that has defaulted in payments to the state;
 (2) the purchaser of a track from a permit holder described in subdivision (1), if defaults at that track have not been satisfied by either the seller or the purchaser; or
 (3) a person ~~an association, a trust, a limited liability company, or a corporation that owns, or has one (1) or more members or stockholders who own, an interest in any other permit issued by the commission in the same year for any other racetrack in Indiana.~~ **who owns an ownership interest of more than the total amount of ownership interest permitted under section 8.5 of this chapter.**

(d) The commission may not issue a permit that would allow pari-mutuel racing to be conducted at the same hour at two (2) or more locations in the same county or adjacent counties.

(e) A permit issued under this section is valid from January 1 to December 31 of the year for which it is issued. An application must be made for a renewal of a permit.

SECTION 2. IC 4-31-5-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2002]: **Sec. 8.5. (a) For purposes of this section, a person is considered to have an ownership interest in a racetrack if the interest is owned directly or indirectly by the person or by an entity controlled by the person.**

(b) A person may have up to a one hundred percent (100%) ownership interest in not more than two (2) racetracks.

(c) A person may not have an ownership interest in more than two (2) racetracks.

SECTION 3. IC 4-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The commission may issue to a person a license to own ~~one (1)~~ a riverboat subject to the numerical and geographical limitation of owner's licenses under this section, **section 3.5 of this chapter**, and IC 4-33-4-17. However, not more than eleven (11) owner's licenses may be in effect at any time. Except as provided in subsection (b), those eleven (11) licenses are as follows:

(1) Two (2) licenses for a riverboat that operates from the largest city located in the counties described under IC 4-33-1-1(1).

(2) One (1) license for a riverboat that operates from the second largest city located in the counties described under IC 4-33-1-1(1).

(3) One (1) license for a riverboat that operates from the third largest city located in the counties described under IC 4-33-1-1(1).

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(4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).

(5) A total of five (5) licenses for riverboats that operate upon the Ohio River from counties described under IC 4-33-1-1(2). The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in IC 4-33-1-1(2).

(6) One (1) license for a riverboat that operates upon Patoka Lake from a county described under IC 4-33-1-1(3).

(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

(1) does not already have a riverboat operating from the city; and

(2) is located in a county described in IC 4-33-1-1(1).

SECTION 4. IC 4-33-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. The commission may not issue an owner's license under this chapter to a person if:

(1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;

(2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;

(3) the person is a member of the commission;

(4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);

(5) the person employs an individual who:

(A) is described in subdivision (1), (2), or (3); and

(B) participates in the management or operation of gambling operations authorized under this article;

(6) the person owns an ownership interest of more than ~~ten percent (10%) in more than one (1) other person holding an owner's license issued under the total amount of ownership interest permitted under section 3.5 of this chapter;~~ or

(7) a license issued to the person:

(A) under this article; or

(B) to own or operate gambling facilities in another jurisdiction;

has been revoked.

SECTION 5. IC 4-33-6-3.5 IS ADDED TO THE INDIANA CODE

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1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2 1, 2002]: **Sec. 3.5. (a) For purposes of this section, a person is**
3 **considered to have an ownership interest in a riverboat owner's**
4 **license if the interest is owned directly or indirectly by the person**
5 **or by an entity controlled by the person.**

6 (b) A person may have up to a one hundred percent (100%)
7 ownership interest in not more than two (2) riverboat licenses
8 issued under this chapter.

9 (c) A person may not have an ownership interest in more than
10 two (2) riverboat owner's licenses issued under this chapter.

11 (d) This section may not be construed to increase the maximum
12 number of licenses permitted under section 1 of this chapter or the
13 number of riverboats that may be owned and operated under a
14 license under section 10 of this chapter.

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